

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;  
Nanci E. Langley, Vice Chairman;  
Mark Acton; and  
Robert G. Taub

Argyle Post Office  
Argyle, Florida

Docket No. A2011-89

ORDER AFFIRMING DETERMINATION

(Issued January 13, 2012)

I. INTRODUCTION

On December 15, 2011, the Postal Service advised the Commission that it “will delay the closing or consolidation of any Post Office until May 15, 2012.”<sup>1</sup> The Postal Service further indicated that it “will proceed with the discontinuance process for any Post Office in which a Final Determination was already posted as of December 12, 2011, including all pending appeals.” *Id.* It stated that the only “Post Offices” subject to closing prior to May 16, 2012 are those that were not in operation on, and for which a Final Determination was posted as of, December 12, 2011. *Id.* It affirmed that it “will not close or consolidate any other Post Office prior to May 16, 2012.” *Id.* at 2. Lastly, the Postal Service requested the Commission “to continue adjudicating appeals as provided in the 120-day decisional schedule for each proceeding.” *Id.*

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<sup>1</sup> United States Postal Service Notice of Status of the Moratorium on Post Office Discontinuance Actions, December 15, 2011 (Notice).

The Postal Service's Notice outlines the parameters of its newly announced discontinuance policy. Pursuant to the Postal Service's request, the Commission will fulfill its appellate responsibilities under 39 U.S.C. § 404(d)(5).

On September 23, 2011, Blythe D. Gottlieb (Petitioner) filed a petition with the Commission seeking review of the Postal Service's Final Determination to close the Argyle, Florida post office (Argyle post office).<sup>2</sup> The Final Determination to close the Argyle post office is affirmed.

## II. PROCEDURAL HISTORY

On September 28, 2011, the Commission established Docket No. A2011-89 to consider the appeal, designated a Public Representative, and directed the Postal Service to file its Administrative Record and any responsive pleadings.<sup>3</sup>

On October 7, 2011, the Postal Service filed the Administrative Record with the Commission.<sup>4</sup> The Postal Service also filed comments requesting that the Commission affirm its Final Determination.<sup>5</sup>

On December 2, 2011, the Public Representative filed a reply brief.<sup>6</sup>

## III. BACKGROUND

The Argyle post office provides retail postal services and service to 98 post office box customers. Final Determination at 9. No delivery customers are served through

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<sup>2</sup> Petition for Review received from Blythe D. Gottlieb regarding the Argyle, Florida post office 32422, September 23, 2011 (Petition). Attached to the Petition is a list of 188 signatures of Argyle citizens opposed to the post office closure.

<sup>3</sup> Order No. 881, Notice and Order Accepting Appeal and Establishing Procedural Schedule, September 28, 2011.

<sup>4</sup> The Administrative Record is attached to the United States Postal Service Notice of Filing, October 7, 2011 (Administrative Record). The Administrative Record includes the Final Determination to Close the Argyle, Florida Post Office and Extend Service by Rural Route Service (Final Determination).

<sup>5</sup> United States Postal Service Comments Regarding Appeal, November 17, 2011 (Postal Service Comments).

<sup>6</sup> Reply Brief of the Public Representative, December 2, 2011 (PR Reply Brief).

this post office. *Id.* at 2. The Argyle post office, an EAS-11 level facility, has retail access hours of 8:30 a.m. to 1:00 p.m. and 2:30 to 4:00 p.m., Monday through Friday, and 8:30 a.m. to 11:00 a.m. on Saturday. The lobby is accessible 24 hours a day, Monday through Saturday. *Id.*

The postmaster position became vacant on November 21, 2009.<sup>7</sup> A non-career officer-in-charge (OIC) was installed to operate the post office. Final Determination at 2. Retail transactions average 40 transactions daily (48 minutes of retail workload). Post office receipts for the last 3 years were \$28,153 in FY 2008; \$27,744 in FY 2009; and \$26,762 in FY 2010. There are no permit or postage meter customers. *Id.* By closing this post office, the Postal Service anticipates savings of \$47,729 annually. *Id.* at 8.

After the closure, retail services will be provided by the Defuniak Springs post office located approximately 5.5 miles away.<sup>8</sup> *Id.* Delivery service will be provided by rural carrier through the Dufuniak Springs post office. The Defuniak Springs post office is an EAS-20 level post office, with retail hours of 8:30 a.m. to 4:30 p.m., Monday through Friday, and 10:00 a.m. to 12:00 p.m. on Saturday. *Id.* The lobby is accessible 24 hours Monday through Saturday. Administrative Record, Item No. 18. Six-hundred-twenty-six (626) post office boxes are available. Final Determination at 2. The Postal Service will continue to use the Argyle name and ZIP Code. *Id.* at 3, Concern No. 4.

#### IV. PARTICIPANT PLEADINGS

*Petitioner.* Petitioner opposes the closure of the Argyle post office. She argues that closing the Argyle post office and providing rural delivery service raises questions regarding the sanctity of the mail and poses other security risks, such as identity theft. Petition at 1. She suggests there will be inconveniences in purchasing money orders and stamps, and in sending and receiving accountable mail. *Id.* She contends that it

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<sup>7</sup> The Final Determination states the postmaster retired on November 21, 2009, but the Petitioner asserts that the postmaster remained on leave until retirement in 2010. Petition at 2.

<sup>8</sup> MapQuest estimates the driving distance between the Argyle and Defuniak Springs post offices to be approximately 5.5 miles (9 minutes driving time).

would be a hardship on some customers to install and maintain mailboxes. *Id.* at 2. She states that, for some handicapped customers, it would be difficult to cross the street to reach their mailboxes. *Id.* at 1. She also states that there is no public transportation to take customers to the Defuniak Springs post office. *Id.*

Petitioner argues that the estimated cost savings from the closing are inaccurate because they are based on the salary and benefits of a postmaster rather than an OIC who operates the post office, and that the annual lease costs listed in the Final Determination are incorrect. *Id.* at 2. Moreover, she states that the Final Determination does not indicate whether citizens could maintain their current mailing addresses if they moved their post office boxes to the Defuniak Springs post office. *Id.*

*Postal Service.* The Postal Service argues that the Commission should affirm its determination to close the Argyle post office. Postal Service Comments at 2. The Postal Service believes the appeal raises two main issues: (1) the effect on postal services; (2) and the accuracy of the Final Determination. *Id.* at 1. The Postal Service asserts that it has given these and other statutory issues serious consideration and concludes that the determination to discontinue the Argyle post office should be affirmed. *Id.* at 6.

The Postal Service explains that its decision to close the Argyle post office was based on several factors, including:

- the postmaster vacancy;
- a minimal workload and low office revenue;
- availability of other delivery and retail options (including the convenience of rural delivery and retail service);
- minimal impact on the community; and
- expected financial savings.

*Id.* at 3. The Postal Service states most postal services can be provided by carrier.

*Id.* at 4. Most transactions do not require meeting a carrier. In hardship cases, delivery can be to the home of a customer. *Id.* at 5. Customers across the country are able to maintain mailboxes. There are no reports of thefts or vandalism in the area. *Id.*

The Postal Service contends that it will continue to provide regular and effective postal services to the Argyle community when the Final Determination is implemented. *Id.* at 6.

The Postal Service states that the Final Determination is accurate as Postal Service records show that annual lease costs are in fact, \$4,800 and Petitioner has not furnished any evidence proving that figure is incorrect. *Id.* at 5. In any event, the difference would not alter the final determination. *Id.*

The Postal Service also asserts that it has followed all statutorily required procedures and has addressed the concerns raised by Petitioner regarding the effect on postal services, the effect on the Argyle community, economic savings, and the effect on postal employees, and other factors consistent with the mandate of 39 U.S.C § 404(d)(2)(A). *Id.* at 6.

*Public Representative.* The Public Representative contends that the Postal Service has adequately considered and has met the requirements of section 404(d)(2)(A). PR Reply Brief at 8. She indicates there are questions as to whether the Postal Service complied with its own rules regarding the procedural requirements related to notices and postings. *Id.* The Public Representative also suggests that the Postal Service could minimize customers' concerns regarding the adequacy of service and show their responsiveness to the needs of the community by identifying the possible assistance the Postal Service provides in hardship cases, indicating organizations that may help with the installation of mail boxes, and indicate whether consideration has been given to maintaining a collection box at the location of the closed post office. *Id.* at 9-10. She concludes that the Postal Service has followed the required procedures to close the Argyle post office, and that the Commission should affirm the decision to close. *Id.* at 10.

## V. COMMISSION ANALYSIS

The Commission's authority to review post office closings is provided by 39 U.S.C. § 404(d)(5). That section requires the Commission to review the Postal

Service's determination to close or consolidate a post office on the basis of the record that was before the Postal Service. The Commission is empowered by section 404(d)(5) to set aside any determination, findings, and conclusions that it finds to be (a) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law; (b) without observance of procedure required by law; or (c) unsupported by substantial evidence in the record. Should the Commission set aside any such determination, findings, or conclusions, it may remand the entire matter to the Postal Service for further consideration. Section 404(d)(5) does not, however, authorize the Commission to modify the Postal Service's determination by substituting its judgment for that of the Postal Service.

A. Notice to Customers

Section 404(d)(1) requires that, prior to making a determination to close any post office, the Postal Service must provide notice of its intent to close. Notice must be given 60 days before the proposed closure date to ensure that patrons have an opportunity to present their views regarding the closing. The Postal Service may not take any action to close a post office until 60 days after its determination is made available to persons served by that post office. 39 U.S.C. § 404(d)(4). A decision to close a post office may be appealed within 30 days after the determination is made available to persons served by the post office. 39 U.S.C. § 404(d)(5).

The Administrative Record indicates the Postal Service took the following steps in reaching its Final Determination. On February 22, 2011, the Postal Service distributed questionnaires to customers regarding the possible change in service at the Argyle post office. Final Determination at 2. A total of 125 questionnaires were distributed and 46 were returned. On March 8, 2011, the Postal Service held a community meeting at the Defuniak Springs Community Center to address customer concerns. Twenty-six (26) customers attended. *Id.* at 1-3. On March 30, 2011, the Postal Service held another community meeting at Defuniak Springs Community

Center. Administrative Record, Item No. 24 at 4-6. Forty-one (41) customers attended the second meeting. *Id.*

The Postal Service posted the proposal to close the Argyle post office with an invitation for comments at the Argyle and Defuniak Springs post offices from April 16, 2011 through June 17, 2011. Final Determination at 2. The Final Determination was posted at the same two post offices from August 29, 2011 through September 30, 2011. *Id.* at 1.

The Public Representative indicates that there is no round-stamp date on the proposal to close the Argyle post office for either the posting or removal date, as requested by the Post Office Review Coordinator.<sup>9</sup> However, she contends that given customer responses to the questionnaires filed with the Postal Service regarding the Argyle post office closing, one may conclude that the proposal to close was posted at the Argyle post office as required, but may not have been posted at the Defuniak Springs or the Ponce De Leon post offices. See *also* n. 10. PR Reply Brief at 9. The Public Representative also contends that given the responses to the questionnaires and the appeal petition, the possible failure to post the Final Determination in other local post offices is not critical. *Id.*

The Postal Service has satisfied the notice requirements of 39 U.S.C. § 404(d).

#### B. Other Statutory Considerations

In making a determination on whether or not to close a post office, the Postal Service must consider the following factors: the effect on the community; the effect on postal employees; whether a maximum degree of effective and regular postal service will be provided; and the economic savings to the Postal Service. 39 U.S.C. § 404(d)(2)(A).

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<sup>9</sup> Only typed dates for the posting and removal of the proposal to close the Argyle post office appear. Administrative Record, Item No. 31; Administrative Record, Item No. 32, Attachment.

*Effect on the community.* Argyle, Florida is an unincorporated community located in Walton County, Florida. Final Determination at 7. The community is administered politically by the Walton County Commissioner. Police protection is provided by the Walton County Police. Fire protection is provided by the Argyle Volunteer Fire Department. The community is diversified, being comprised of doctors, lawyers, educators, small business owners, farmers, ranchers, and many elderly individuals. Argyle citizens work in local businesses or commute to work in nearby communities and are individuals in all economic levels. *Id.* Residents may travel to nearby communities for other supplies and services. See *generally* Administrative Record, Item No. 22 (returned customer questionnaires and Postal Service response letters).

As a general matter, the Postal Service solicits input from the community by distributing questionnaires to customers and holding a community meeting. The Postal Service met on March 8, 2011 with members of the Argyle community and solicited input from the community with questionnaires. Final Determination at 2. On March 30, 2011, Postal Service representatives again met at the Defuniak Springs Civil Center with 41 customers to answer questions and provide information. Administrative Record, Item No. 24 at 4-6. In response to the Postal Service's proposal to close the Argyle post office, customers raised concerns regarding the effect of the closure on the community. Their concerns and the Postal Service's responses are summarized in the Final Determination. Final Determination at 3-5.

Although Petitioner did not specifically raise the issue of the effect of the closing on the Argyle community, she noted that the Final Determination does not indicate whether citizens could maintain their current mailing addresses if they moved their post office boxes to the Defuniak Springs post office. Petition at 2. The Postal Service contends that it has considered this issue and states that the community identity will be preserved by continuing the use of the Argyle name and ZIP Code in addresses. Postal Service Comments at 6; Final Determination at 3, Concern No. 4.

The Postal Service has adequately considered the effect of the post office closing on the community as required by 39 U.S.C. § 404(d)(2)(A)(i).



*Effect on employees.* The Postal Service states that since November 21, 2009 an OIC has operated the Argyle post office. Final Determination at 2. It asserts that after the Final Determination is implemented, the temporary OIC may be separated or reassigned and that no other Postal Service employee will be adversely affected. Final Determination at 8, 9.

The Postal Service has considered the possible effects of the post office closing on the OIC and has satisfied its obligation to consider the effect of the closing on employees at the Argyle post office as required by 39 U.S.C. § 404(d)(2)(A)(ii).

*Effective and regular service.* The Postal Service contends that it has considered the effect the closing will have on postal services provided to Argyle customers. Postal Service Comments at 1, 4. It asserts that customers of the closed Argyle post office may obtain retail services at the Defuniak Springs post office located 5.5 miles away.<sup>10</sup> Final Determination at 2; Postal Service Comments at 2. Delivery service will be provided by rural carrier through the Defuniak Springs post office. Final Determination at 2. The 98 post office box customers may obtain Post Office Box service at the Defuniak Springs post office, which has 626 boxes available. *Id.*

For customers choosing not to travel to the Defuniak Springs post office, the Postal Service explains that retail services will be available from the carrier. *Id.* at 4. The Postal Service adds that it is not necessary to meet the carrier for service since most transactions do not require meeting the carrier at the mailbox. *Id.*

Petitioner argues rural delivery service poses security risks, such as identity theft. Petition at 1. The Postal Service responds that the Postal Inspection Service has not received reports of mail theft or vandalism in the Argyle area and customers may use locked mailboxes. *Id.* at 5. Petitioner also asserts that there is no public transportation to take customers to the Defuniak Springs post office. Petition at 1. The Postal Service

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<sup>10</sup> In addition, retail services are available at the Ponce De Leon post office located 7 miles from the Argyle post office. PR Reply Brief at 4. See Final Determination at 2, Concern Nos. 1 and 2. MapQuest estimates the driving distance between the Argyle and Ponce De Leon post offices to be approximately 7.2 miles (9 minutes driving time).

responds that for customers who are not able to travel to the Defuniak Springs post office, postal services can be provided by a carrier. Postal Service Comments at 4. Petitioner suggests there will be inconveniences in purchasing money orders and stamps, and in sending and receiving accountable mail. Petition at 1. The Postal Service responds stating that stamps by mail and money order application forms are available and that the carrier will be able to accept any letters or packages for mailing. Postal Service Comments at 4.

Petitioner argues that it would be a hardship on some customers to install and maintain mailboxes. Petition at 2. She suggests, for some handicapped customers, it would be difficult to cross the street to reach their mailboxes. *Id.* at 1. The Postal Service responds that customers across the country are able to install and maintain mailboxes for carrier delivery and that the carrier will make delivery to a roadside mailbox close to customers' residences. Postal Service Comments at 5. It also states that in hardship cases, the carrier can make delivery to the home of a customer. *Id.*

The Pubic Representative suggests that the Postal Service could minimize customers' concerns regarding the adequacy of service and show their responsiveness to the needs of the community by clearly identifying solutions to their concerns at community meetings and providing a collection box at or close to the location of the closed post office. PR Reply Brief at 9-10. She concludes that the Postal Service has adequately considered and met the service requirements to close the Argyle post office. *Id.* at 8, 10.

The Postal Service has considered the issues raised by customers concerning effective and regular service as required by 39 U.S.C. § 404(d)(2)(A)(iii).

*Economic savings.* The Postal Service estimates total annual savings of \$47,729. Final Determination at 8. It derives this figure by summing the following costs: postmaster salary and benefits (\$44,279) and annual lease costs (\$4,800), minus the cost of replacement service (\$1,350). *Id.*

Petitioner asserts that the estimated cost savings are inaccurate. Petition at 2. She asserts that the amounts saved are based on the salary and benefits of a

postmaster rather than an OIC, who receives a lower salary. *Id.* Petitioner also contends that the annual lease costs listed as \$4,800 in the Final Determination are incorrect, and suggest that the correct amount is \$3,300 per year. *Id.* The Postal Service responds by stating that, upon implementation of the Final Determination, the OIC may be separated from the Postal Service. Postal Service Comments at 2; Final Determination at 8. It also contends its records show annual lease costs are \$4,800 and that Petitioner has not furnished any evidence to the contrary.<sup>11</sup> *Id.* at 5.

The Commission has previously stated that the Postal Service should not compute costs that are not eliminated by the discontinuance of a post office. The Argyle postmaster position became vacant on November 21, 2009. Final Determination at 2. The post office has since been run by a career OIC who, upon discontinuance of the post office, will return to her duties at a nearby post office. Postal Service Comments at 10. The postmaster position and the corresponding salary will be eliminated. See, e.g., Docket No. A2011-67, United States Postal Service Comments Regarding Appeal, October 24, 2011, at 13; Docket No. A2011-68, United States Postal Service Comments Regarding Appeal, November 2, 2011, at 10. Furthermore, notwithstanding that the Argyle post office has been staffed by an OIC for more than two years, even assuming the use of the presumably lower OIC salary, the Postal Service would have satisfied the requirements of section 404(d)(2)(A)(iv).

The Postal Service has satisfied the requirement that it consider economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv).

## VI. CONCLUSION

The Postal Service has adequately considered all requirements of 39 U.S.C. § 404(d). Accordingly, the Postal Service's determination to close the Argyle post office is affirmed.

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<sup>11</sup> The lease agreement is provided for an initial rent of \$3,300 per year. PR Reply Brief at 4; Administrative Record, Item No. 15.

*It is ordered:*

The Postal Service's determination to close the Argyle, Florida post office is affirmed.

By the Commission.

Ruth Ann Abrams  
Acting Secretary

## DISSENTING OPINION OF CHAIRMAN GOLDWAY

The Administrative Record is inaccurate with regard to economic savings. As such, the Postal Service has not adequately considered economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv).

The Postal Service argues that savings should be calculated based on a full-time postmaster's salary. Yet the Argyle post office has been operated by an officer-in-charge (OIC) since November 21, 2009 when the postmaster position became vacant. On the one hand, the Postal Service argues that the effect on employees of this closing will be minimal; yet on the other hand, it argues that the savings should be calculated using a full-time position.

It is not the statutory responsibility of the Commission to correct the record for the Postal Service and certainly not to make its own surmise about what and/or whether there would be savings if accurate data was in the record. Therefore, the decision to close should be remanded to the Postal Service to correct the Administrative Record and present a more considered evaluation of potential savings.

Moreover, the Postal Service recently announced a moratorium on post office closings. It is confusing and perhaps unfair to require some citizens whose post offices have received a discontinuance notice as of December 12, 2011 to gather evidence and pursue an appeal to the Commission, while others whose post offices were in the review process but had not yet received a discontinuance notice by December 12, 2011 have the respite of a 5-month moratorium.

The citizens of Argyle, Florida and their concerns regarding the loss of a neighborhood post office should be afforded the same opportunity to be heard and considered as the citizens of the approximately 3,700 post offices fully covered by the moratorium.

Ruth Y. Goldway

## DISSENTING OPINION OF VICE CHAIRMAN LANGLEY

The Postal Service did not adequately consider the economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service should take into consideration that since November 2009, a non-career postmaster relief (PMR) has been in charge of this facility, not an EAS-11 postmaster. The PMR's salary and benefits should be reflected in the Postal Service's cost savings analysis.

As a government entity, the Postal Service should ensure that its cost/benefit analysis accurately identifies capturable cost savings and does not overstate savings.

I find that the Postal Service's decision to discontinue operations at the Argyle post office is unsupported by evidence on the Administrative Record and thus, should be remanded.

Nanci E. Langley